

December, 1958

<u>Section*</u>	<u>Provisions</u>	<u>Comment</u>	<u>Page</u>
Sec. 415 (Sec. 2)	Reduces FSS class structure (22 to 10) and adjusts salary rates. Authorizes Secretary to fix lesser salary rates for United States citizens employed abroad, not available or qualified for transfer.	This amendment was included in draft legislation approved by the Bureau on January 17, 1958. The salary structure has been revised to reflect the 1958 salary increases and the supporting narrative statement has been clarified.	2
Sec. 416 (Sec. 3)	Provides authority for appointment of Foreign Service staff personnel at in-class salary rates. Authorizes the fixing of appointment salary rates for short supply categories.	Same as May, 1958 draft.	8
Sec. 431 (Sec. 4)	Clarifies provisions governing termination of Chief of Mission.	Same as May, 1958 draft.	11
Sec. 441 (Sec. 5)	Provides flexibility in the classification of Foreign Service positions. Authorizes classification of certain Departmental (FSO) positions without regard to the Classification Act of 1949, as amended.	Same as May, 1958 draft.	13
Sec. 444 (Sec. 6)	Clarifies provisions for classifying and fixing salary schedules for local (alien) employees.	Same as May, 1958 draft.	16
Sec. 447 (Sec. 7)	Provides salary differential for couriers.	Same as May, 1958 draft.	18 ✓
Sec. 517 (Sec. 8)	Clarifies and improves provisions governing lateral entry into the Foreign Service.	Same as May, 1958 draft.	21
Sec. 520 (Sec. 9)	Liberalizes provisions for reinstatement and recall of Foreign Service officers. Removes existing restrictions on re-employment by other agencies of Foreign Service officers retired mandatorily for age.	Same as May, 1958 draft.	25

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Sec. 522 (Sec. 10)	Provides for the continuation on the rolls of certain FSR's notwithstanding the usual limitation on duration of assignment.	Same as May, 1958 draft.	27! ✓
Sec. 531 (Sec. 11)	Clarifies provisions governing appointment of Foreign Service staff personnel.	Same as May, 1958 draft.	30
Sec. 532 (Sec. 12)	Clarifies provisions governing assignment of Foreign Service staff personnel.	Same as May, 1958 draft.	32
Sec. 571 (Sec. 13)	Clarifies and simplifies provisions governing the assignment of Foreign Service personnel to Government agencies.	Same as May, 1958 draft.	33
Sec. 625 (Sec. 14)	Provides in-step promotion within class on basis of merit.	Same as May, 1958 draft.	41
Sec. 631 (Sec. 16)	Liberalizes provisions relating to extension of service of career ministers beyond mandatory retirement age.	Same as May, 1958 draft.	43
Sec. 632 (Sec. 17)	Liberalizes provisions relating to extension beyond mandatory retirement age of limited number of Foreign Service officers below the rank of career minister.	Same as May, 1958 draft. <div style="border: 1px solid black; height: 30px; width: 300px; margin-top: 5px;"></div>	45 STAT
Sec. 637 (Sec. 18)	Provides in one section a uniform basis for separation for cause applicable to all categories of officers and employees of the Service.	Same as May, 1958 draft.	47 ✓
Sec. 638 (Sec. 19)	Provides specific authority for the termination of Foreign Service Reserve officers and staff officers and employees under limited appointment.	This is a new provision which will meet the needs of the Department for clear-cut authority to separate, when their services are no longer needed, Foreign Service Reserve officers whose appointments by their designation are temporary and limited in nature and staff officers and employees serving under limited appointments.	54 ✓

*Section numbers in parentheses refer to sections of the draft bill.

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<u>Section*</u>	<u>Provisions</u>	<u>Comment</u>	<u>Page</u>
Sec. 641 (Sec. 20)	Emphasizes that promotions of staff personnel shall be on a competitive basis in relation to performance, qualifications and merit.	Same as May, 1958 draft.	55 ✓
Sec. 642 (Sec. 21)	Clarifies provisions for periodic in-class promotions for Foreign Service staff personnel. Authorizes in-class increases as a reward for meritorious service. Establishes a system of longevity pay increases for staff personnel.	Same as January, 1958 draft.	56
Sec. 701 (Sec. 22)	Authorizes use of Foreign Service Institute facilities for appropriate orientation and language training of dependents.	Same as May, 1958 draft.	61
Sec. 704 (Sec. 23)	Provides for the employment of aliens by the Foreign Service Institute.	Same as May, 1958 draft, except that the language has been clarified to authorize employment either by appointment to the staff or by contract.	62 ✓
Sec. 803 (Sec. 24)	Provides for participation of certain Foreign Service staff personnel in the Foreign Service Retirement and Disability system. Provides for their inclusion in the system on a mandatory basis after ten years of service, and provides for phasing out officers and employees who are above mandatory age at time they become participants.	Same as May, 1958 draft.	65 ✓*

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Sec. 804 (Sec. 25)	Provides definitions for terms relating to survivors, such as "widow", "widower", "child", etc., and makes clear that survivor annuitants include surviving children and dependent widowers.	Same as May, 1958 draft.	69 *
Sec. 811 (Sec. 26)	Increases the rate of contribution to the Foreign Service Retirement and Disability Fund from 5 per cent to 6 1/2 per cent of basic salary.	Same as May, 1958 draft.	72 *
Sec. 821 (Sec. 27)	Liberalizes and clarifies provisions relating to computation of annuities and survivorship benefits.	Same as May, 1958 draft.	73 *
Sec. 831 (Sec. 28)	Clarifies provisions for the reinstatement of recovered disability annuitants.	Same as May, 1958 draft.	81 *
Sec. 832 (Sec. 29)	Clarifies provisions relating to death in service.	Same as May, 1958 draft.	89 ✓
Sec. 834 (Sec. 30)	Provides discontinued service annuities similar to those of other Federal retirement systems.	Same as May, 1958 draft.	94 *
Sec. 841 (Sec. 31)	Clarifies provisions relating to disposition of contributions and interest in excess of benefits received.	Same as May, 1958 draft, except that additional amendments have been made to authorize the maintenance of the Foreign Service Retirement and Disability Fund upon a calendar year basis rather than a fiscal year basis.	96
Sec. 851 (Sec. 32)	Clarifies provisions relating to creditable service.	Same as May, 1958 draft.	101
Sec. 852 (Sec. 33)	Clarifies provisions relating to prior service credit.	Same as May, 1958 draft, except that the amendment has been expanded to provide for an automatic transfer of contributions to the Foreign Service Retirement and Disability Fund from other Federal retirement funds when a covered employee enters the Foreign Service by direct transfer.	103

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<u>Section*</u>	<u>Provisions</u>	<u>Comment</u>	<u>Page</u>
Sec. 871 (Sec. 35)	Clarifies provisions relating to recall or reinstatement of annuitants.	Same as May, 1958 draft.	110 *
Sec. 872 (Sec. 36)	Establishes provision for re-employment of Foreign Service annuitants by the Federal Government and provides for the continuation of their annuities while so re-employed.	Same as May, 1958 draft.	111 *
Sec. 881 (Sec. 37)	Clarifies provisions relating to the disposition of voluntary contributions to the Foreign Service Retirement and Disability Fund.	This is a new provision which parallels the changes made in section 841 to provide for the maintenance of the Foreign Service Retirement and Disability Fund upon a calendar year basis rather than a fiscal year basis.	115
Sec. 1021 (Sec. 38)	Broadens the authority of the Department to accept and use gifts on a Department-wide basis rather than solely for the Foreign Service.	Same as May, 1958 draft.	119

NEW MISCELLANEOUS PROVISIONS

Sec. 39	Amends section 11 of P.L. 885, 84th Congress, to broaden authority governing the use of Government-owned vehicles at posts abroad.	This is a new amendment to P.L. 885, 84th Congress (The Point of Order Bill) which will authorize the use of taxicabs in lieu of Government-owned automobiles at posts when feasible.	125
Sec. 40	Amends the Internal Revenue Code to exempt disability annuities from income tax liability.	Same as May, 1958 draft.	126

TEMPORARY PROVISIONS

Sec. 41	Provides the conversion table for the transfer of Foreign Service staff personnel from the present 22 class structure to the new proposed 10 class salary plan.	This is the same as the January, 1958 proposal except that the salary structure has been revised to reflect the 1958 salary increases.	128
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<u>Section*</u>	<u>Provisions</u>	<u>Comment</u>	<u>Page</u>
Sec. 42	Provides for the recomputation of the annuity of retired Foreign Service officers by increasing from 30 to 35 years the computation factor upon which such annuities are based.	Same as May, 1958 draft.	131 ✕
Sec. 43	Establishes effective dates for the provisions of the bill.	Same as May, 1958 draft.	132
Sec. 44	A notwithstanding clause which provides for an orderly revision of regulations implementing the proposed amendments to the bill.	Same as May, 1958 draft.	133
Sec. 45	Repeals certain headings and sections of the Foreign Service Act of 1946, as amended, which are made obsolete by the proposed amendments.	These proposals are the same as those submitted in May, 1958.	134

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TO:		ORGAN. SYMBOL	ROOM NO.	BLDG.	INITIALS
1. Mr. Jack Warner		CIA	221 E.	Bldg.	
2.					
3.					
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5.					
APPROVAL		NOTE AND FORWARD			
AS REQUESTED		NOTE AND RETURN			
COMMENT		PER CONVERSATION			
FOR YOUR INFORMATION		PREPARE REPLY			
INITIAL FOR CLEARANCE		SEE ME			
NECESSARY ACTION		SIGNATURE			
REMARKS OR ADDITIONAL ROUTING					
<p>Attached for your information is a summary of the amendments to the Foreign Service Act, the draft bill, and the comparable text, as approved by the Bureau of the Budget and submitted to the Congress.</p>					
FROM (NAME AND ORGANIZATION)				ROOM NO. AND BLDG.	
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